

## Preface

In 1859, Charles Dickens opened *A Tale of Two Cities*, his classic book set during the French Revolution, with the statement, “It was the best of times, it was the worst of times . . . it was the age of wisdom, it was the age of foolishness” (Dickens, 1960). That statement succinctly described the upheaval and uncertainty of France during the Revolution. However, it also accurately depicted the conditions and challenges of London during the Second Industrial Revolution. To be certain, it may be argued that almost every era can be characterized in such terms, and the post-modern era is no exception.

### TWIN CHALLENGES

Although no exception, the modern world must nevertheless contend with two major developments, globalization and its handmaiden, technology, which have blurred permanently the boundaries between business and the community. These two developments have not only influenced and changed society at particular places and points in time, but they have also changed the social landscape and the face of commerce with breathtaking speed.

In years past, social and organizational interaction was conducted sometimes with little more than a handshake. When shaking hands, two parties could look each other in the eye and presume the honesty and trustworthiness of the other. Additionally, within this personal connection, one could also assess the other’s body language, tone of voice, level of attention, mood, and so forth. Moreover, businesses and individuals were more comfortable dealing with those whom they knew or with those who had had prior relationships with friends or business associates. The old workplace consisted of a gathering of employees in one or more centralized locations and of clients and vendors with whom one could interact on a personal and a regular basis. In this context, an individual could assess another’s behavior and elements of character by observing the person in social and organizational settings. That evaluation could then lead to the propensity to trust, or not trust, other individuals.

While it is acknowledged that business today is rarely conducted on the strength of a handshake, we live and work in a complex and uncertain global environment where organizations and their employees now must navigate an intricate organizational reality (Johnson & Brennan, 2000). Decision-making frameworks have changed, necessitating new business paradigms and new social contracts. Thus, the old buffers of time and place have disappeared, transforming not only relationships, but also the entire business arena (Post, 2000).

## THE CONTEXT OF TRUST

Today's manager has three interrelated tasks: (1) to prevent and resolve conflicts of interest between and among stakeholders; (2) to co-ordinate the efforts of internal and external groups in achieving firm goals; and (3) to manage resources in order to attain sustained competitive advantage in the marketplace (Johnson-Cramer, Berman, & Post, 2003, p. 154). Achievement of each of these tasks depends on the establishment and maintenance of solid, cohesive relationships. Human interaction, human judgment, and human purpose breathe life into the heart of business (Tung, 2001). Moreover, successful relationships depend on the elements of authenticity, character, and integrity, in other words on trust. Although technology and social systems are inextricably bound in the new economy, it is the social context of information that will determine which tools will work and which will not (Agle, Mitchell, & Sonnenfeld, 2000). Time and space may be transcended, but trust as the key element of social capital remains the lifeblood of successful relationships.

Trustworthiness is an assessment of the ability, benevolence, and integrity of the one to be trusted (Mayer & Schoorman, 1995). That being the case, within the global and digitized environment of today's environment, how is trust established and maintained? How can individuals and groups coalesce in an atmosphere of trust to accomplish organizational goals? In other words, within a virtual context, how can we trust that people are who they say they are and that they will do what they said they would do? And, can we have high touch and high tech relationships simultaneously?

Rapid advances in technology always outpace a society's ability to align, to control, and to manipulate technological capabilities for the common good. Being freed from the bounds of physical presence, interaction in computer-mediated relationships offers ample opportunities for opportunistic behavior and dishonest claims (Walther & Bunz, 1996). Nevertheless, trust is important in exchange relations because it is a key element of social capital and is related to firm performance, employee satisfaction, competitive advantage, and other economic outcomes (Mayer, Davis, & Schoorman, 1995).

The role of trust in social interaction cannot be overstated and the concept of trust has been examined in countless studies in a myriad of disciplines. However, very few studies regarding computer-mediated trust relationships and the concomitant issues and challenges have been conducted. Furthermore, because national cultures influence individual and organizational trust development processes (Doney, Cannon, & Mullen, 1998; Hofstede, 1994), and because of the all-encompassing reach of the digital highway, it is important to broaden the inquiry. Therefore, this book not only examines these relationships within numerous contexts, but also does so from multi-cultural perspectives. Scholars from the United States, United Kingdom, Australia, Austria, France, Israel, Italy, Norway, Poland, and Spain contributed chapters to this project. Their contributions include such topics as trusting remote workers, building team trust in virtual communities, e-negotiation and trust, antecedents of consumer trust, and the role of leadership in virtual teams, among others.

Margaret Wheatley (1999) argues that current and future conditions call for fluid, permeable "self-designing forms which intermingle and flow. Thus, technological innovation involves harnessing human imagination to create new approaches to the needs, problems and concerns of the modern global world (Post, 2000). We believe that the topics explored in this volume contribute to the important but illusive quest to assure that the best of times and the time of wisdom are accurate descriptors of society in the 21<sup>st</sup> century.

## ORGANIZATION OF THE BOOK

Each chapter provides a thorough review of the relevant research on trust and offers analysis and insight into the differences for organizations and management practice in a virtual environment. The authors also take up the challenge of considering future directions with thought-provoking commentary. The book is organized around the type of computer-mediated relationships, whether among individuals, between individuals and organizations, or between organizations. Written in a style intended to be approachable to practitioners, the work should also be of value to academicians as a solid grounding in the extant literature on trust.

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